

## Message Text

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ACTION EUR-12

INFO OCT-01 NEA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-08

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 DODE-00 PM-05

H-01 L-03 NSC-05 PA-01 PRS-01 SS-15 /096 W

-----112218 281943Z /44

R 281008Z JUL 77

FM AMEMBASSY VALLETTA

TO SECSTATE WASHDC 7539

INFO AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TRIPOLI

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USEEC

E.O. 11652: N/A

TAGS: ELAB, MT

SUBJECT: LABOR CONFLICT CONTINUES

REF: VALLETTA 0779,

1. THE STRIKE ("INDUSTRIAL") ACTIONS PREVIOUSLY INITIATED (SEE REFTTEL) BY MEMBER UNIONS OF THE CONFEDERATION OF MALTA TRADE UNIONS (CMTU) CONTINUE UNABATED. UNION PROPOSALS FOR NEGOTIATIONS HAVE BEEN REBUFFED BY THE GOM, WHICH HAS BECOME INCREASINGLY DEFENSIVE AND BELLIGERENT.

2. ON JULY 19, THE GOVERNMENT RAMMED THROUGH PARLIAMENT IN A SINGLE TWO-HOUR SESSION A BILL TO AMEND THE INDUSTRIAL RELATIONS ACT OF 1976. THE AMENDMENT PROVIDES FOR THE DISMISSAL OF GOVERNMENT DOCTORS WHO GO OUT ON  
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STRIKE (AND CAN BE EXTENDED TO OTHER GOVERNMENT EMPLOYEES BY MINISTERIAL DECREE). SINCE PASSAGE OF THE BILL, SOME SIXTH GOVERNMENT DOCTORS HAVE BEEN DISMISSED. ANOTHER RECENT BILL, ALSO PASSED WITH URGENCY, TRANSFERRED FROM THE MEDICAL ASSOCIATION OF MALTA TO THE GOM THE POWER TO LICENSE MEDICAL PRACTITIONERS AND MEDICAL ESTABLISHMENTS.

3. THE BANKING COMMUNITY'S COMPUTER CENTER IS NOT FUNCTIONING, AND THE GOVERNMENT HAS RESORTED TO USING UNQUALIFIED AND INEXPERIENCED CLERKS TO KEEP THE BANKING SYSTEM LIMPING ALONG. AS A RESULT, BANK RECORDS AND ACCOUNTS COULD BECOME HOPELESSLY MUDDLED. IN SOME INSTANCES, LOCAL IMPORTERS HAVE REPORTED DIFFICULTY IN OBTAINING FOREIGN CURRENCY TO COVER PURCHASES FROM ABROAD.

4. A SIGNIFICANT NEW DEVELOPMENT IN THE SITUATION IS AN OPEN RIFT WHICH HAS OCCURRED AMONG GENERAL WORKERS' UNION (GWU) MEMBERS AT THE POLITICALLY SENSITIVE MALTA DRYDOCKS. ALTHOUGH THERE HAS BEEN A DISSIDENT ELEMENT WITHIN THE GWU FOR SOME TIME, IT HAS SELDOM SURFACED. LAST WEEK, HOWEVER, THE EXECUTIVE COMMITTEE OF THE METAL WORKERS SECTION OF THE GWU WAS PUBLICLY VILIFIED BY THE GWU COUNCIL AND GOM LEADERS FOR ATTEMPTING TO REACH A COMPROMISE WITH THE MEDICAL ASSOCIATION OF MALTA TO INSURE FULL TIME MEDICAL ASSISTANCE FOR WORKERS AT THE MALTA DRYDOCKS. FEARING A PHYSICAL ASSAULT BY ORGANIZED PRO-GOM THUGS, THE SECRETARY OF THE METAL WORKERS SECTION, MIKE SEYCHELL, WENT INTO HIDING. SHOULD THIS RIFT WIDEN APPRECIABLY, MINTOFF COULD BE IN TROUBLE. REPORTEDLY, SUSPENDED GWU GENERAL SECRETARY ATTARD KINGSWELL IS BEING PRESSURED INTO ATTEMPTING TO ORGANIZE A RIVAL UNION AMONG THE LARGE NUMBER OF DOCKYARD WORKERS DISILLUSIONED WITH THE GWU'S POLITICAL ALLIANCE WITH MINTOFF'S GOVERNMENT.  
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5. PRIME MINISTER MINTOFF IS AWAY FROM MALTA ON HOLIDAY AND HAS LEFT THE SITUATION IN THE HANDS OF SOME OF HIS MORE RABID AND HOT-TEMPERED MINISTERS. THEY CAN BE EXPECTED TO EXACERBATE THE ALREADY POISONED ATMOSPHERE THAT NOW PERVADES MALTA. IN PLACE OF THE NORMAL HOLIDAY ACTIVITIES, THERE ARE LONG QUEUES STANDING IN THE HOT SUN OUTSIDE THE SMALL NUMBER OF BANKS WHICH REMAIN OPEN TO PROVIDE MINIMUM SERVICES; PARTISAN NEWSPAPERS DAILY SLING MUD AT EACH OTHER, ADDING TO THE TENSION AND THE INCREASINGLY BITTER POLARIZATION WITHIN THE TIGHTLY KNIT MALTESE COMMUNITY. A FEW RESPONSIBLE JOURNALISTS, AND BUSINESS ORGANIZATIONS WHOSE MEMBERS ARE BEGINNING TO SUFFER FROM THE EFFECTS OF THE SITUATION, ARE CALLING FOR AN END TO THE STALEMATE. AT THE MOMENT, HOWEVER, NEITHER SIDE APPEARS WILLING TO CONSIDER A COMPROMISE SOLUTION, THEREFORE THE IMMEDIATE FUTURE SEEMS TO HOLD LITTLE PROSPECT FOR RESOLVING THE PRESENT LABOR CONTROVERSY.  
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## Message Attributes

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**Disposition Date:** 22 May 2009  
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